

ORIGINAL

ILLINOIS
COMMERCE
COMMISSION

STENOGRAPHIC TRANSCRIPT OF PROCEEDINGS

JUL 5 9 51 AM '01

BEFORE THE

CHIEF CLERK'S OFFICE

Illinois Commerce Commission

DOCKET NO. 01-0428

IN THE MATTER OF:

VERIZON NORTH, INC.,
VERIZON SOUTH, INC. and
Z-TEL COMMUNICATIONS, INC.

PLACE: Chicago, Illinois

DATE: June 21, 2001

PAGES: 1-13

SULLIVAN REPORTING COMPANY
OFFICIAL REPORTERS

TWO NORTH LA SALLE STREET

SUITE 1780

CHICAGO, ILLINOIS 60602

312-782-4705

SPRINGFIELD, ILLINOIS

217-528-6964

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION

3 IN THE MATTER OF:)

4 VERIZON NORTH, INC.,)

5 VERIZON SOUTH, INC., and)

6 Z-TEL COMMUNICATIONS, INC.)

7) No. 01-0428

8 Joint Petition of Verizon North Inc.,)

9 Verizon South Inc., and Z-Tel)

10 Communications, Inc. Pursuant to 47)

11 U.S.C. Section 252(i) Regarding)

12 Adoption of an Interconnection)

13 Agreement.)

14 Chicago, Illinois

15 June 21, 2001

16 Met pursuant to notice at 10:00 a.m.

17 BEFORE:

18 MR. JOHN RILEY, Administrative Law Judge.

1 APPEARANCES:

2 HUNTON AND WILLIAMS, by
3 MR. DOUGLAS DZIAK
4 1900 K Street Northwest
Washington, D.C. 20006
appearing for Verizon;

5 KELLEY, DRYE & WARREN, by
6 MR. MICHAEL B. HAZZARD
8000 Towers Crescent Drive, Suite 1200
7 Vienna, Virginia 22181
appearing for Z-Tel Communications;

8 MR. JAMES WEGING
160 North LaSalle Street, Suite C-800
9 Chicago, Illinois 60601
appearing for Commission staff.

10

11

12

13

14

15

16

17

18

19

20

21

22 SULLIVAN REPORTING COMPANY, by
Giraida B. Bordabeheres, CSR

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

I N D E X

Re- Re- By

Witnesses: Direct Cross direct cross Examiner

None.

E X H I B I T S

Number For Identification In Evidence

Staff No. 1 13

1 JUDGE RILEY: Pursuant to the direction of the
2 Illinois Commerce Commission, I now call Docket
3 01-0428, this is a joint petition between Verizon
4 and Z-Tel Communications for adoption of an
5 interconnection agreement pursuant to 47 U.S.C.
6 Section 252(i).

7 Mr. Weging, beginning with you would
8 you enter an appearance for the record, please.

9 MR. WEGING: James Weging, W-e-g-i-n-g, 160 North
10 LaSalle Street, Suite C-800, Chicago, Illinois
11 60601, (312) 793-2877, appearing on behalf of
12 Commission staff.

13 JUDGE RILEY: And counsel for Verizon?

14 MR. DZIAK: This is Doug Dziak, that's spelled
15 D-z-i-a-k, of Hunton and Williams. And my address
16 is 1900 K Street Northwest, Washington, D.C. 20006.
17 And I would ask permission pursuant to Illinois
18 Commerce Commission rules to appear on behalf of
19 Verizon in this matter. I am a licensed attorney in
20 the state of Maryland and in the District of
21 Columbia.

22 MR. WEGING: No objection from staff.

1 JUDGE RILEY: Any objection from Z-Tel.

2 MR. HAZZARD: No objection, your Honor.

3 JUDGE RILEY: Then your motion is granted.

4 And counsel for Z-Tel, would you enter
5 an appearance for the record, please.

6 MR. HAZZARD: Michael B. Hazzard, H-a-z-z-a-r-d,
7 of the law firm of Kelley, K-e-l-l-e-y, Drye,
8 D-r-y-e, & Warren, W-a-r-r-e-n, 8000 Towers Crescent
9 Drive, Suite 1200, Vienna, Virginia 22182 and my
10 telephone number is (703) 918-2316 and I'm on behalf
11 of Z-Tel Communications, Inc.

12 MR. WEGING: Can I ask, are you licensed in the
13 state of Illinois?

14 MR. HAZZARD: I am not. I am licensed in the
15 state of Virginia and I'd similarly like to motion
16 to appear before the Commission in this proceeding.

17 MR. WEGING: No objection from staff.

18 JUDGE RILEY: Any objection from Verizon?

19 MR. DZIAK: None from Verizon.

20 JUDGE RILEY: Then the motion is granted.

21 And, gentlemen, ordinarily, I have
22 received the verified statement of Mr. Graves in

1 this matter and there appears to be an issue of a
2 letter between -- from Verizon to Z-Tel. Can
3 somebody enlighten me as to the relevance or the
4 reason for this letter being part of this record.

5 MR. WEGING: Perhaps -- this is Jim Weling. Let
6 me start and if I get anything wrong or anything
7 needs to be added to or clarified, then someone
8 could speak up.

9 This letter is issued by Verizon on all
10 of its 252(i) agreements, that is, agreements where
11 a party is adopting -- an agreement that was entered
12 into between Verizon and another CLEC. We've had
13 this longstanding -- they attached this to their
14 petition as an exhibit. It is not signed off or
15 agreed to by the CLEC in all the cases we've had so
16 far.

17 So, therefore, it's not actually part
18 of the negotiated agreement. I think that Verizon
19 would agree that it is not issues that remain
20 unresolved that; in fact, the other attachments are
21 the complete agreement; that this letter is a
22 statement of their position on various matters,

1 especially 252(i).

2 And so, therefore, we can approve the
3 agreement as such as a completed negotiated
4 agreement and this letter is not -- doesn't have any
5 effect on the agreement between Verizon and, in this
6 case, Z-Tel.

7 JUDGE RILEY: Counsel for Verizon, do you have
8 any comments?

9 MR. DZIAK: I think that's generally correct. I
10 think that the letter to some degree speaks for
11 itself inasmuch as in the last page it says reviewed
12 and agreed to as to point A, B and C which is just
13 the standard -- replace the underlying agreement's
14 name with the adopting CLEC's name, their address
15 and that they're certifying that they're a provider
16 of local telecommunications service and the adoption
17 covers terms and services in the state of Illinois
18 only.

19 And I think the remainder is the
20 statement -- I think Mr. Weging probably
21 characterized the remainder of the letter as a
22 statement of Verizon's position.

1 I think -- and let me back up. I think
2 one of the problems where this came up was that in
3 the switch to the E-Docket, apparently the letter
4 started to get posted with the agreement and that
5 was where some of the confusion got caused.

6 JUDGE RILEY: Are you saying that the letter
7 should not have been posted with the agreement?

8 MR. DZIAK: No, it was part of our petition -- an
9 exhibit to the joint petition. But, no, it was not
10 our intention to post it with the agreement.

11 JUDGE RILEY: I see.

12 MR. DZIAK: We weren't trying to amend the
13 underlying agreement, just having a statement of
14 position.

15 MR. WEGING: And just for clarification, the
16 verified statement issued in this case requires
17 Verizon to file the agreement again with us so that
18 the agreement -- the clean copy is put on the -- our
19 Web site as opposed to the entire attachment to the
20 petition which includes the letter. That's why the
21 implementation in this case is different than in the
22 case that we're going to hear later today.

1 JUDGE RILEY: If I understand you correctly,
2 then, is the petition that I'm looking at here that
3 has already been filed to which this letter was
4 attached --

5 MR. WEGING: Yes.

6 JUDGE RILEY: -- this petition should be filed
7 without the letter is what you're saying?

8 MR. WEGING: No, the agreement.

9 JUDGE RILEY: The agreement?

10 MR. WEGING: The other attachments to the
11 petition get refiled with us so the Clerk's Office
12 can just take -- they take that and put it on the
13 Web site.

14 JUDGE RILEY: But there's nothing tainted about
15 the petition itself then?

16 MR. WEGING: No.

17 MR. DZIAK: In fact, in this particular instance,
18 this will all go away fairly quickly because we now
19 have a fully negotiated agreement between Verizon
20 and Z-Tel that we'll be filing shortly.

21 MR. WEGING: Okay.

22 JUDGE RILEY: Well, does that supersede the

1 petition that I'm looking at here, then?

2 MR. DZIAK: My understanding was that Z-Tel
3 wanted to be able to get into business sooner rather
4 than later, and so they wanted to adopt but has
5 since gotten an agreement, reached a 252(a)
6 agreement, a negotiated agreement, and that will be
7 filed shortly as soon as we get signatures on a
8 joint petition from everyone and get it filed
9 through the normal process.

10 We forwarded it on to the Verizon folks
11 on the ground in Springfield and they do the
12 E-Docket filing.

13 MR. HAZZARD: And, your Honor -- this is Mike
14 Hazzard on behalf of Z-Tel -- the process will --
15 could take several months to finally be completed
16 and it's necessary for Z-Tel -- for us to have the
17 existing agreement that's before you today approved
18 so that we can offer it with Verizon in the state of
19 Illinois.

20 JUDGE RILEY: But it's going to be filed -- any
21 subsequent agreement is -- you're saying that could
22 be months away then?

1 MR. HAZZARD: By the time the ministerial
2 processes of having Verizon and Z-Tel execute the
3 joint statement for filing with the Commission and
4 getting that through the Commission's standard
5 process could take months, sir.

6 JUDGE RILEY: So then we're only concerning
7 ourselves with the petition that's in front of me
8 today?

9 MR. HAZZARD: Correct.

10 MR. DZIAK: My apologies, that was just a
11 background, Mike.

12 MR. HAZZARD: I just wanted to be clear that the
13 agreement that Z-Tel and Verizon has negotiated in
14 no way supersedes what we're doing today.

15 MR. WEGING: Right.

16 JUDGE RILEY: Then let me return to the statement
17 of Mr. Graves. And it's my understanding from
18 having read the statement that staff does not deem
19 any part of the agreement discriminatory nor is it
20 contrary to the public interest. Are the parties in
21 agreement there?

22 MR. WEGING: Yes, this is Jim Wearing for staff.

1 Yes, that's what it says.

2 JUDGE RILEY: And, Mr. Weging, did you want to
3 make a motion with regard to the verified statement
4 as evidence?

5 MR. WEGING: Yes. I'd like to move into the
6 record evidence of the case the verified statement
7 of Christopher L. Graves as found on the Commission
8 E-Docket. It was filed yesterday afternoon at
9 4:33 p.m. The receipt number is 13769.

10 And so with that identification, I
11 would just move that the verified statement as found
12 on E-Docket be admitted as -- into the record
13 evidence of this case.

14 JUDGE RILEY: Is there any objection from either
15 party?

16 MR. HAZZARD: None from Z-Tel, your Honor.

17 MR. DZIAK: None from Verizon.

18 JUDGE RILEY: Then staff's motion is granted and
19 I'll mark Mr. Graves' statement as Staff's
20 Exhibit 1.

21

22

1 (Whereupon, Staff
2 Exhibit No. 1 was
3 marked for identification
4 as of this date.)
5 JUDGE RILEY: Are there any other issues in this
6 docket?
7 MR. DZIAK: Nothing from Verizon.
8 JUDGE RILEY: Nothing from staff?
9 MR. WEGING: Nothing from staff.
10 MR. HAZZARD: Nothing from Z-Tel.
11 JUDGE RILEY: All right. Thank you. Then I will
12 direct the court reporter to mark this matter heard
13 and taken and I'll have an order prepared for the
14 Commission.
15 MR. DZIAK: Thank you.
16 JUDGE RILEY: Thank you very much.
17 Z-Tel, does that conclude your
18 participation?
19 MR. HAZZARD: Yes, sir.
20 JUDGE RILEY: Okay. Thank you very much.
21 HEARD AND TAKEN. . . .
22

CERTIFICATE OF REPORTER

STATE OF ILLINOIS)
COUNTY OF COOK)

CASE NO. 01-0428

TITLE: Verizon North, Inc., Verizon South, Inc.,
and Z-Tel Communications, Inc.

I, Giraida B. Bordabeheres, do hereby certify
that I am a court reporter contracted by SULLIVAN
REPORTING COMPANY, of Chicago, Illinois; that I
reported in shorthand the evidence taken and the
proceedings had in the hearing on the above-entitled
case on the 21st day of June A.D. 2001; that the
foregoing 13 pages are a true and correct transcript
of my shorthand notes so taken as aforesaid, and
contains all the proceedings directed by the
Commission or other person authorized by it to
conduct the said hearing to be stenographically
reported.

Dated at Chicago, Illinois, this 29th day
of June A.D. 2001.


REPORTER